

# Veterans

The President's 2007 Budget continues the successful pro-growth policies that have encouraged robust economic growth and job creation. A strong economy, together with spending restraint, is critical to reducing the deficit. The Budget builds on last year's successful spending restraint by again holding the growth of overall discretionary spending below inflation, proposing to reduce non-security discretionary spending below the previous year's level, and calling for the elimination or reduction of programs not getting results or not fulfilling essential priorities. Like last year, the budget proposes savings and reforms to mandatory spending programs, whose unsustainable growth poses the real long-term danger to our fiscal health.

President Bush has a strong record of support for our Nation's veterans. This year, the President has proposed a considerable increase in funding for veterans programs. The President's 2007 budget would represent a 75-percent increase since 2001 in funding for veterans programs. In particular, the Department of Veterans Affairs (VA) budget provides significantly higher resources for medical care and other veterans benefits.

## The President's FY 2007 Budget:

- Includes \$80.6 billion for the VA in total -- \$38.5 billion in discretionary funding, including medical care collections, and \$42.1 billion in mandatory entitlements funding.
- Continues the collaboration between VA and the Department of Defense to better serve veterans and returning Operation Enduring Freedom and Operation Iraqi Freedom servicemembers, including a seamless transition to civilian status.
- Refocuses health care resources on returning combat veterans and veterans with military disabilities, low incomes, and special needs.

## The 2007 Budget includes:

### **Providing Medical Care to Veterans**

- \$34.3 billion (including collections) for medical care – a \$3.5 billion (11.3 percent) increase over the 2006 enacted level, and an increase of over 69 percent since President Bush took office.
- Resources to support the 5 million veterans who will receive care in 2007 – an increase over nearly one million since 2001 as more veterans have sought medical care – including over 100,000 veterans returning from combat in Operation Enduring Freedom and Operation Iraqi Freedom.
- \$457 million for medical care construction – also known as Capital Asset Realignment for Enhanced Services (CARES) – to ensure that VA can put facilities and services where veterans live. Including the project included in the emergency reallocation package enacted after Hurricane Katrina, this brings the total CARES funding to \$750 million since the 2006 enacted budget and almost \$3 billion since the 2004 CARES commission report.

### **Replacing Lost Income for Disabled Veterans**

- \$38 billion in tax-free disability benefits will be received by 3.7 million veterans in 2007.

**Providing Education Opportunities to Veterans**

- \$3.3 billion to provide educational opportunities for veterans, including benefits for reservists mobilized for 90 days or more in response to a war or national emergency.

**Promoting Home Ownership for Veterans**

- \$196 million to help administer and finance home loans to veterans, including 230,000 guaranteed VA home loans totaling \$37.2 billion.

**Supporting National Cemeteries**

- \$161 million for VA cemeteries, a 7.4 percent increase over the 2006 enacted level. In addition, the construction request fully funds the 2007 resources required to support the six new cemeteries announced by the President in November 2003 (one each in Alabama, Pennsylvania, California, South Carolina, and two in Florida).